



# **pennsylvania**

STATE EMPLOYEES' RETIREMENT SYSTEM

## **COMPENSATION POLICY FOR INVESTMENT PROFESSIONAL STAFF**

**STATE EMPLOYEES' RETIREMENT SYSTEM**

**Effective January 1, 2017**

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## Compensation Policy for Investment Professional Staff

### State Employees' Retirement System

#### INTRODUCTION

SERS was established by the General Assembly of the Commonwealth of Pennsylvania in 1923. SERS' enabling legislation, the State Employees' Retirement Code, was recodified in 1959 and again in 1974.

The Retirement Code establishes the Board as an independent administrative board, which has the authority to make all decisions with respect to the implementation of the Retirement Code and the management of the State Employees' Retirement Fund.

Section 5902(a) of Title 71, amended April 2, 1998:

- (1) Effective 30 days after the effective date of this paragraph, the positions of secretary, assistant secretary and investment professional shall be placed under the unclassified service provisions of the act of August 5, 1941 (P.L.752, No.286), known as the Civil Service Act, as those positions are vacated. All other positions of the board shall be placed in either the classified or unclassified service according to the definition of the terms under the Civil Service Act.
- (2) Notwithstanding any other provisions of law, the compensation of investment professionals shall be established by the board. The compensation of all other officers and employees of the board who are not covered by a collective bargaining agreement shall be established by the board consistent with the standards of compensation established by the Executive Board of the Commonwealth.

SERS' *Compensation Policy for Investment Professional Staff* is established to:

- Maintain transparency for the compensation of investment professional staff
- Attract, motivate, and retain highly qualified, experienced investment professionals needed to satisfy the standard-of-care requirements of fiduciary obligations consistent with SERS Board policy
- Provide a reasonable and competitive pay program for investment professional staff

SERS continually strives to have a compensation plan for its investment professional staff that attracts and retains highly qualified individuals, establishes internal equity of positions, and maintains external competitiveness. The Board shall establish and maintain a pay schedule and structure that reflects market competitive salary ranges for each job classification based on median salary levels in the Public Pension Funds Comparator Group listed on page 4. This comparator group may be re-established as appropriate with changes in the public pension systems.

## DELEGATION OF AUTHORITY

The Board has authority to set compensation for SERS' investment professional staff. With approval of this policy the Board delegates the following, effective January 1, 2017:

- Authority to SERS' Chief Investment Officer and SERS' Executive Director, in consultation with SERS' Human Resources Director, to recommend salaries and annual salary adjustments for investment professional positions in the Investment Office to the Personnel Committee for approval as discussed in the PROGRAM ADMINISTRATION section on page 5;
- Authority to SERS' Executive Director and SERS' Chief Financial Officer, in consultation with SERS' Human Resources Director, to recommend salaries and annual salary adjustments for the investment professional positions in the Office of Finance and Administration to the Personnel Committee for approval as discussed in the PROGRAM ADMINISTRATION section on page 5; and
- Authority to SERS' Executive Director in consultation with SERS' Human Resources Director to recommend the salary of the Chief Financial Officer position and annual salary adjustments to the Personnel Committee for approval as discussed in the PROGRAM ADMINISTRATION section on page 5.

If the parties named above cannot reach consensus concerning the actions that have been delegated by SERS Board, the issue(s) will be elevated to the Personnel Committee of SERS Board for a final determination.

The Board will maintain authority to approve the annual pay increase budget based on current market pay data and the availability of funds.

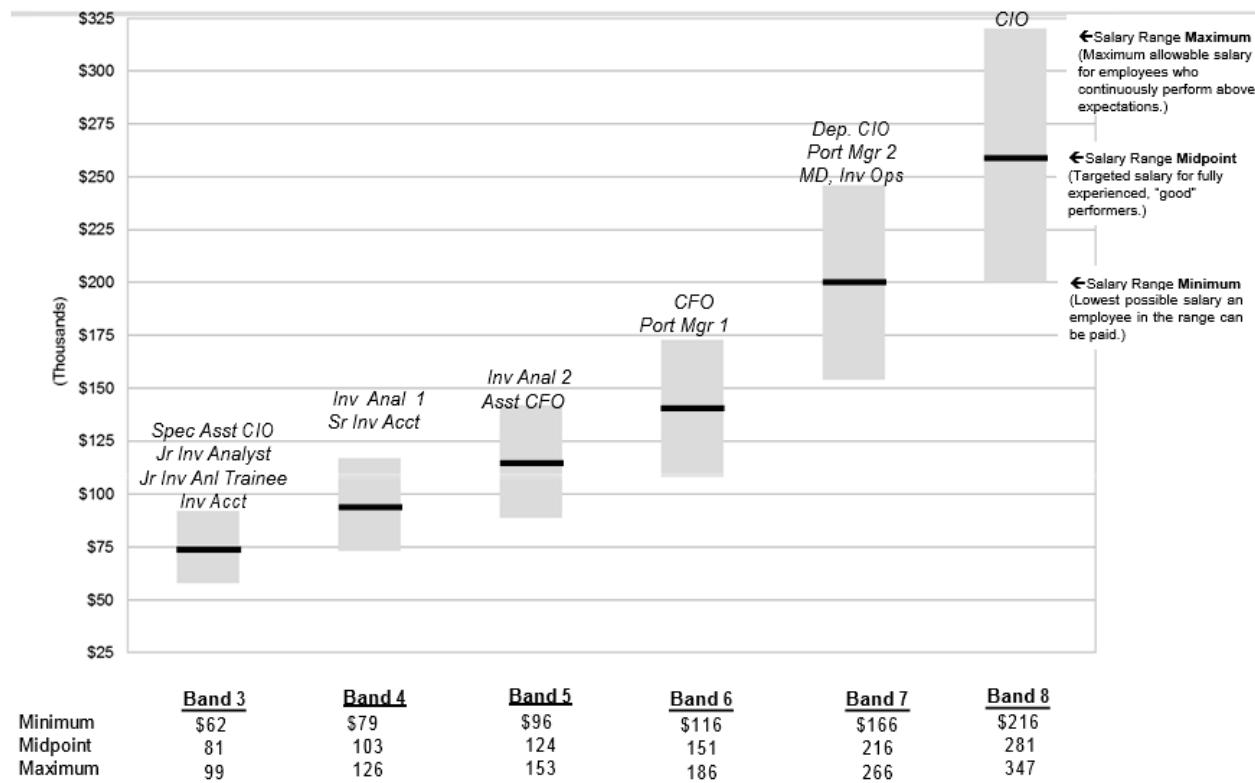
## PEER COMPARATOR GROUP

The below peer comparator group, used to determine the appropriate compensation for SERS' investment professional staff, was originally established in June 2013 in conjunction with McLagan, a professional organization with well-established expertise in the area of pension system compensation. This group of 15 public pension systems, at the time the list was developed, was similar to SERS in size and investment approach, and none of the comparable pension systems utilized a bonus program. The salary structures of these comparative systems were used to determine the initial market pay for SERS' investment professional staff.

Illinois Municipal Retirement Fund  
Indiana Public Retirement System  
Iowa Public Employees Retirement System  
LA County Employees Retirement Association  
Maryland State Retirement Agency  
Massachusetts Pension Reserves Investment Management Board  
Minnesota State Board of Investment  
Mississippi Public Employees Retirement System  
Missouri Public Schools Retirement System  
Nevada PERS  
Pennsylvania Public School Employees' Retirement System (included in the comparator group due to geographical location)  
South Carolina Retirement System  
Texas County and District Retirement System  
Texas Municipal Retirement System  
Utah State Retirement System

## PAY SCHEDULE

SERS will move investment professional positions from the current pay schedule of 12 pay ranges with 20 steps within each range, to a banding pay structure (*Figure 1*). Each investment professional position will be appropriately placed within the respective band based on the comparative parity with peer pension systems, experience and credentials, contributions to SERS, and internal pay equity. The new pay structure will have six bands, with minimum and maximum annual salaries for each band, but no steps. This type of structure allows for increased flexibility to differentiate salaries based on an employee's performance, workload, contributions to SERS, etc. The below chart shows annual salaries down the left side and the bands across the bottom.



*Figure 1*

## PROGRAM ADMINISTRATION

An annual study will be conducted to determine current market pay for the industry. This data will be used to establish the annual aggregate pay increase budget subject to approval by SERS Board.

Pay increases shall give consideration to individual employee performance, changes to job duties, retention, internal pay equity relationships, periodic market comparison of peer pension systems, or other relevant issues. Annual salary reviews will be conducted to make adjustments to pay based upon merit and competitive levels as necessary. Reflecting good-governance practices, each employee's salary level will be reviewed annually to ensure pay levels remain competitive, high performers are recognized, and staff development and growth are reinforced. Adjustments to current employees' salaries outside of the annual scheduled adjustments may be made under the delegation of authority of this policy for retention purposes to meet a critical need of the agency. These adjustments will be recommended to the Personnel Committee for approval. The salary bands will be reviewed every two to three years by an external and qualified consultant, and appropriate adjustments will be made to maintain comparative parity with peer pension systems.

Investment Office professional staff are currently, and will remain, on a January 1 through December 31 performance review cycle with performance reviews due to the Human Resources Division by January 31 each year. They will receive pay increases, if appropriate, effective the first full pay in March each year. Effective January 1, 2017, investment professional staff in the Investment Office will no longer be eligible to receive the general pay increases, service increments, or any other one-time pay adjustments approved by the SERS Board for management employees.

Office of Finance and Administration investment professional staff are currently on an October 1 through September 30 performance review cycle. Effective January 1, 2017, they will be transferred to the January 1 through December 31 performance review cycle. Their performance reviews will be due to the Human Resources Division by January 31 each year and they will receive pay increases, if appropriate, effective the first full pay in March each year. Effective January 1, 2017, investment professional staff in the Office of Finance and Administration will no longer be eligible to receive the general pay increases, service increments, or any other one-time pay adjustments approved by the SERS Board for management employees.

When a new investment professional is hired, initial placement in the appropriate band will take into account the person's work experience and background, most recent salary, and pay equity when compared to current staff.

The salary range in each band can be broken down into thirds that fit the following general or illustrative profiles:

#### Lower Third

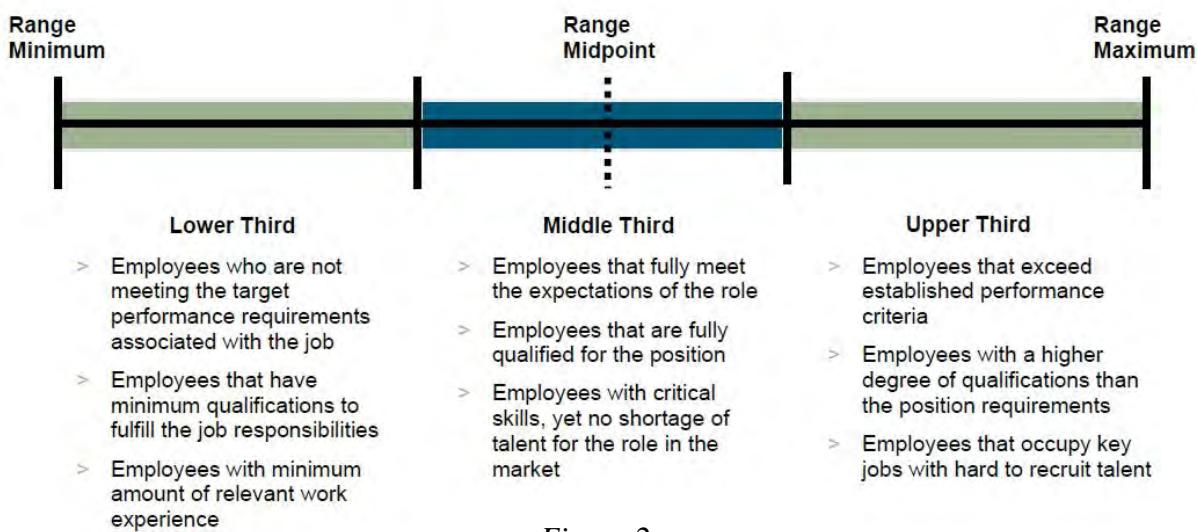
- Employees who are not meeting the established performance criteria for the position, or
- Employees who have minimum qualifications to fulfill the job responsibilities, or
- Employees with minimum amount of relevant work experience

#### Middle Third

- Employees who fully meet the established performance criteria, or
- Employees who are fully qualified for the position, or
- Employees with critical skills, yet no shortage of talent for the role in the market

#### Upper Third

- Employees who exceed established performance criteria, or
- Employees with a higher degree of qualifications of the position requirements, or
- Employees who occupy key jobs with hard to recruit talent



*Figure 2*

As shown in *Figure 2* above, employees who fully meet the expectations of their positions should fall within the middle third of the pay range, taking into account length of service with SERS and job relevant experience. Annually each investment professional shall be evaluated on a calendar year basis and receive a performance review by January 31 of each year.

The following process applies to all investment professional staff in SERS:

- Supervisors meet with each employee at the beginning of the review cycle to set goals and objectives for the year, set clear expectations, and provide performance standards

- Supervisors conduct a mid-year review with each employee to discuss/confirm progress toward goals and adjust, as appropriate, objectives of the program plan. If progress is less than expected the supervisor will contact the Human Resources Division for assistance in improving performance
- At the end of each rating cycle supervisors complete the *Employee Performance Review* form (Form 363L) for each employee and discuss performance and recommended pay increase with the Executive Director and Human Resources Director. Pay increases are recommended to the Personnel Committee for approval
- Supervisors conduct an annual performance review with each employee, communicate the salary increase, and link the salary increase to overall performance. Pay increases for investment professional staff will be effective the first full pay in March each year
- Supervisors will conduct a formal six month performance review, using the *Employee Performance Review* form (Form 363L), for each newly appointed investment professional employee.

### **Guideline for Pay Adjustments**

Annually, taking into account the pay increase budget approved by the Board, the Chief Investment Officer, with the concurrence of the Executive Director and in consultation with the Human Resources Director, will submit pay adjustment recommendations to the Personnel Committee. The pay adjustment for each investment professional staff member in the Investment Office will be within the assigned pay band and will be based on the individual's overall annual performance evaluation and the individual's position in the band at the time of the annual review. When the annual employee review results in an overall less than satisfactory rating, no pay increase is awarded. A less than satisfactory rating may result in employee discipline, up to and including termination.

For investment professional positions in the Office of Finance and Administration, the Chief Financial Officer, with the concurrence of the Executive Director and in consultation with the Human Resources Director, will follow the same process.

The performance review of the Chief Investment Officer will be conducted by the Executive Director with input from the Board. Pay adjustments will be recommended to the Board's Personnel Committee and approved by SERS Board.

The performance review of the Chief Financial Officer will be conducted by the Executive Director who will recommend to the Personnel Committee, in consultation with the Human Resources Director, movement within the salary range based on the overall annual performance evaluation and the individual's placement in the range at the time of the annual review.

The Executive Director, in conjunction with the Chief Investment Officer or Chief Financial Officer, as appropriate, and in consultation with the Human Resources Director, may recommend to the Personnel Committee salary adjustments for new investment professional staff in conjunction with a six-month performance evaluation. No action related to salary adjustments will be considered for new employees until the completion of a six-month performance evaluation.

### **PROMOTION/RECLASSIFICATION**

Upon promotion, which is defined as moving from one job title to a higher job title either as a result of moving to a different position or the reclassification of current position, an employee may receive up to 9% pay increase per pay band or be placed at the minimum of the pay band, whichever is greater.

### **DEMOTION**

When an employee demotion results from employee poor performance, or the employee voluntarily agrees to be demoted to a position in a lower pay band, the employee's current salary may be reduced by 9% and then compared to the maximum pay of the lower pay band. If the employee's adjusted salary is greater than the new salary grade maximum, the new salary will be reduced to the maximum pay of the lower pay band.

When an organizational change results in an employee's job title being changed to a job title in a lower pay band, the employee will be demoted to the new job title and will maintain the current pay level.

### **COMPLETION OF CHARTERED FINANCIAL ANALYST (CFA) EXAM**

When completion of the above exam is relevant to the employee's current role at SERS, the Chief Investment Officer, with the concurrence of the Executive Director and Human Resources Director, shall have the discretion to award an individual an increase of up to 2.5% of annual salary each time one of the three levels that make up the Chartered Financial Analyst (CFA) certification examination is successfully completed. The Executive Director, with the concurrence of the Human Resources Director, shall have discretion to award the same increase to the Chief Investment Officer for successfully completing each level of the exam. Said increases shall be effective prospectively from the date the successful exam completion notification has been provided to the employee's supervisor.

### **COMPLETION OF CERTIFIED PUBLIC ACCOUNTANT (CPA) EXAM**

When completion of the above exam is relevant to the employee's current role at SERS, the Chief Financial Officer, with the concurrence of the Executive Director and Human Resources Director, shall have the discretion to award an individual an increase of up to 2% of annual salary each time one of the four sections of the CPA certification exam is successfully

completed. The Executive Director, with the concurrence of the Human Resources Director, shall have discretion to award the same increase to the Chief Financial Officer for successfully completing each level of the exam. Said increases shall be effective prospectively from the date the successful exam completion notification has been provided to the employee's supervisor.

### **COMPLETION OF CHARTERED ALTERNATIVE INVESTMENT ANALYST (CAIA) EXAM**

When completion of the above exam is relevant to the employee's current role at SERS, the Chief Investment Officer, with the concurrence of the Executive Director and Human Resources Director, shall have the discretion to award an individual an increase of up to 2% of annual salary each time one of the two levels of the CAIA certification exam is successfully completed. The Executive Director, with the concurrence of the Human Resources Director, shall have discretion to award the same increase to the Chief Investment Officer for successfully completing the exam. Said increases shall be effective prospectively from the date the successful exam completion notification has been provided to the employee's supervisor.

### **PERFORMANCE MANAGEMENT**

SERS is committed to attracting, developing, managing, and retaining a high performing, diverse, and productive workforce. This requires effective performance management. Performance management entails constructive direction, training, assessment, feedback, and recognition of employees by managers and supervisors to assure a competent, high-performing, and motivated workforce. Establishing clear expectations and evaluating performance are very important parts of that process. The SERS General Performance Standards, provided by the supervisor to each new employee and also annually in conjunction with the performance review, provide supervisors with the opportunity to establish clear expectations. The annual performance review provides supervisors the opportunity to formally discuss performance outcomes with staff.

As part of the performance management process, performance evaluations for investment professional staff shall be issued consistent with the Management Directive 540.7, Performance Management Program, and as discussed in PROGRAM ADMINISTRATION, beginning on page 6.

New employees will receive an interim evaluation after six months to review performance and evaluate continued employment.

The annual performance evaluation rating will be used to determine annual salary increases as outlined in PROGRAM ADMINISTRATION, beginning on page 6.

## **RECRUITMENT AND PLACEMENT**

SERS Board has the authority to hire the Chief Investment Officer. Recruitment for this position will be conducted internally or through the services of an executive search firm, as determined by the Board.

The filling of all investment professional vacancies will comply with the Commonwealth policies for filling senior level non-civil service positions and may involve internal promotions or active recruitment.

With the exception of the Chief Investment Officer position, investment professional positions in the Investment Office will be filled at the discretion of the Chief Investment Officer, with the concurrence of the Executive Director and in consultation with the Human Resources Director.

The Chief Financial Officer position will be filled at the discretion of the Executive Director in consultation with the Human Resources Director. All other investment professional positions in the Office of Finance and Administration will be filled at the discretion of the Chief Financial Officer and Executive Director, in consultation with the Human Resources Director.

Background investigations will be conducted on all new SERS employees. Although employees may begin employment, their continued employment is contingent upon a satisfactory background investigation report. Background investigations are conducted by the Office of Inspector General.

Consistent with Commonwealth policies and directives, recruitment shall not be influenced by race, color, religious creed, ancestry, union membership, age, gender, sexual orientation, gender identity or expression, national origin, AIDS or HIV status, or disability.

## **AT-WILL EMPLOYMENT**

The State Employees' Retirement System reserves the right to terminate the employment of an investment professional at any time for any reason or no reason, except as prohibited by law.

## **SUCCESSION PLANNING**

The Chief Investment Officer, Chief Financial Officer, and their direct subordinate staff are responsible for workforce and succession planning in their respective areas to ensure effective business continuity. Areas to include for this purpose include knowledge management, staff development, career progression, and staffing projections.

## **EXCEPTIONS**

SERS Board reserves the right to revise or make exceptions to this policy at any time.

10/2/2013	Final draft created
03/30/2015	Revisions to draft
08/09/2016	Updates to include CAIA, current dates
09/30/2016	Incorporated final edits from 08/2016
10/19/2016	Incorporated edits from PC to give Personnel Committee approval for pay increases
1/3/2017	Incorporated recommendations from SERS Board and CBIZ

## APPENDIX – JOB SPECIFICATIONS

Job Code	Pay Scale Group	Pay Scale Type	Bargaining Unit	Service Type	Creation Date
R9402	09	IS	A3	NCS	

### SPECIAL ASSISTANT TO THE CHIEF INVESTMENT OFFICER, SERS

**DEFINITION:** This is highly professional administrative and policy level investment work as a staff assistant to the Chief Investment Officer, SERS.

The employee in this class will perform high level managerial, administrative and compliance responsibilities in the Investment Office, and will exercise substantial independent judgment in directing critical policy level aspects of this large and sophisticated investment program. This position may represent the Investment Office at budget appropriation hearings and other meetings as designated by the Chief Investment Officer. Work involves responsibility for the contracting process for the Investment Office and functioning as liaison with SERS' Legal Office, legislature, and various other high level offices. This position will develop recommendations for program policy and provide analysis on proposed policies submitted for the CIO's review. Work is assigned in the form of objectives and expected outcomes and is reviewed by the Chief Investment Officer.

**EXAMPLES OF WORK:** Prepares sensitive correspondence and administrative orders on behalf of the CIO.

Analyzes investment office programs and projects for operational efficiency and enhancement.

Conducts research on emerging investment strategies and provides analysis and recommendations to CIO.

Prepares budgetary and statistical reports as requested on the investment program.

Performs related duties as required.

**REQUIRED KNOWLEDGE, SKILLS, AND ABILITIES:** Knowledge of current investment principles and techniques.

Knowledge of quantitative methods, investment modeling, econometric analysis, statistical analysis principles and techniques.

Knowledge of computer hardware and software needed to conduct statistical analysis.

Knowledge of modern office management methods.

Ability to exercise judgment and discretion in applying and interpreting investment policies and strategies.

Ability to write and express ideas effectively.

**MINIMUM EXPERIENCE AND TRAINING:** Bachelor's degree in Economics, Business or related field, and three years of experience working in investment management.

Job Code	Pay Scale Group	Pay Scale Type	Bargaining Unit	Service Type	Creation Date
R9403	09	IS	A3	NCS	02/02/2000

## JUNIOR INVESTMENT ANALYST TRAINEE

**DEFINITION:** This is an entry-level investment management position within the State Employees' Retirement System.

An employee in this classification performs investment and econometric research and analysis of assigned investment asset classes and portfolios. This includes researching and analyzing financial data, investment strategies and vehicles, operating reports, property inspections, appraisals, and disposition proposals, and performing investment modeling and statistical analysis. The employee also performs written and oral reports of findings and recommendations. These responsibilities involve segments of investment asset classes rather than comprehensive portfolios or asset classes. Work may also involve the application of investment modeling, testing quantitative analysis strategies, and constructing econometric models.

Work is normally assigned by a Portfolio Manager, Managing Director, or Managing Director of Investment Operations. It is reviewed for results, compliance with investment policies, and application of sound financial and economic analysis principles and techniques.

**EXAMPLES OF WORK:** Analyzes bonds, mortgage-backed securities and other related securities. Analysis includes, but is not limited to, evaluation of yield curve, horizon comparison, and credit data. Compiles results and recommends present and future relative values of fixed income securities.

Reviews broker strategy reports and credit reports from rating agencies and brokers.

Prices bond portfolios and obtains index numbers on a monthly basis.

Analyzes fundamental industry and company data in equity portfolios. Analysis includes, but is not limited to, examination of accounting, financial and competitive factors. Compiles results and presents recommendations regarding the investment merit of individual securities such as convertible stocks and bonds.

Maintains contact with brokerage house analysts who specialize in corresponding industry segments.

Analyzes individual real estate projects to determine their suitability for investment. Analysis includes, but is not limited to, evaluation of the developer, site location, area demographics and economic conditions, leasing conditions and financial projections. Compiles results and presents investment recommendations.

Selects appropriate statistical techniques to conduct investment research and analysis.

Establishes statistical bases or collection of data needed to produce economic scenario for investment strategies, analyzes the data, designs required forms, reviews individual files to generate random samples and undertakes studies to evaluate the effects of changes in the economic and market conditions.

Conducts assigned segments of comprehensive investment studies to analyze and evaluate investment options and strategies. Studies include performing investment modeling and using quantitative analysis techniques.

Uses microcomputer to build data bases, design report, conduct statistical analysis, and perform investment modeling. May be required to develop or modify software needed to conduct analyses.

Performs special projects and other related duties as assigned.

**REQUIRED KNOWLEDGE, SKILLS, AND ABILITIES:** Knowledge of quantitative methods, investment modeling, econometric analysis, statistical analysis principles and techniques.

Knowledge of computer hardware and software needed to conduct statistical analysis.

Knowledge of economic theories.

Ability to learn and apply investment principles and techniques.

Ability to use computer software applications to analyze, interpret, and present results of investment analysis.

Ability to analyze, interpret, and clearly present quantitative and statistical data used in making investment decisions.

Ability to plan, organize and carry out assignments.

Ability to organize and present the results of research and analysis orally and in writing.

Ability to work effectively with associates, public officials, and the investment community.

**MINIMUM EXPERIENCE AND TRAINING:** Bachelor's degree in Economics, Business, or a related field.

Job Code	Pay Scale Group	Pay Scale Type	Bargaining Unit	Service Type	Creation Date
R9404	10	IS	A3	NCS	02/02/2000

## JUNIOR INVESTMENT ANALYST

**DEFINITION:** This is an elementary investment management position within the State Employees' Retirement System.

An employee in this classification performs investment and econometric research and analysis of assigned investment asset classes and portfolios. This includes researching and analyzing financial data, investment strategies and vehicles, operating reports, property inspections, appraisals, and disposition proposals, and performing investment modeling and statistical analysis. The employee also performs written and oral reports of findings and recommendations. These responsibilities involve segments of investment asset classes rather than comprehensive portfolios or asset classes. Work may also involve the application of investment modeling, testing quantitative analysis strategies, and constructing econometric models. Work is normally assigned by a Portfolio Manager, Managing Director, or Managing Director of Investment Operations. It is reviewed for results, compliance with investment policies, and application of sound financial and economic analysis principles and techniques.

Work in this class is differentiated from that of a Junior Analyst Trainee by the decreased need for training, an increased level of autonomy in carrying out research and analysis, and experience gained in performing investment-related work assignments.

**EXAMPLES OF WORK:** Analyzes bonds, mortgage-backed securities and other related securities. Analysis includes, but is not limited to, evaluation of yield curve, horizon comparison, and credit data. Compiles results and recommends present and future relative values of fixed income securities.

Reviews broker strategy reports and credit reports from rating agencies and brokers.

Prices bond portfolios and obtains index numbers on a monthly basis.

Analyzes fundamental industry and company data in equity portfolios. Analysis includes, but is not limited to, examination of accounting, financial and competitive factors. Compiles results and presents recommendations regarding the investment merit of individual securities such as convertible stocks and bonds.

Maintains contact with brokerage house analysts who specialize in corresponding industry segments.

Analyzes individual real estate projects to determine their suitability for investment. Analysis includes, but is not limited to, evaluation of the developer, site location, area demographics and economic conditions, leasing conditions and financial projections. Compiles results and presents investment recommendations.

Selects appropriate statistical techniques to conduct investment research and analysis.

Establishes statistical bases or collection of data needed to produce economic scenario for investment strategies, analyzes the data, designs required forms, reviews individual files to generate random samples and undertakes studies to evaluate the effects of changes in the economic and market conditions.

Conducts assigned segments of comprehensive investment studies to analyze and evaluate investment options and strategies. Studies include performing investment modeling and using quantitative analysis techniques.

Uses microcomputer to build data bases, design report, conduct statistical analysis, and perform investment modeling. May be required to develop or modify software needed to conduct analyses.

Performs special projects and other related duties as assigned.

**REQUIRED KNOWLEDGE, SKILLS, AND ABILITIES:** Knowledge of quantitative methods, investment modeling, econometric analysis, statistical analysis principles and techniques.

Knowledge of computer hardware and software needed to conduct statistical analysis.

Knowledge of economic theories.

Ability to learn and apply investment principles and techniques.

Ability to use computer software applications to analyze, interpret, and present results of investment analysis.

Ability to analyze, interpret, and clearly present quantitative and statistical data used in making investment decisions.

Ability to plan, organize and carry out assignments.

Ability to organize and present the results of research and analysis orally and in writing.

Ability to work effectively with associates, public officials, and the investment community.

**MINIMUM EXPERIENCE AND TRAINING:** Successful completion as a Junior Analyst Trainee.

OR

Bachelor's degree in economics, business or a related field, and one year of relevant work experience in investment management.

Job Code	Pay Scale Group	Pay Scale Type	Bargaining Unit	Service Type	Creation Date
R9405	11	IS	A3	NCS	10/10/2006

## INVESTMENT ANALYST 1

**DEFINITION:** This is journey level investment management position work for the State Employees' Retirement System.

An employee in this class performs comprehensive investment and econometric research and analysis of assigned investment asset classes and portfolios. This research includes developing and testing quantitative strategies; performing investment modeling and statistical analysis; and developing software applications to construct and interpret econometric models. The work also involves research and analyzing financial data, investment strategies and vehicles, operating reports, property inspections, appraisals, and disposition proposals; and making recommendations based on findings. Work may also include executing investment transactions in assigned portfolios.

The employee is expected to independently identify and initiate the financial and econometric analyses needed to support assigned investment asset classes. Work is reviewed by a supervisor for results, compliance with investment policies, and application of sound financial and economic analysis principles and techniques.

**EXAMPLES OF WORK:** Performs investment modeling and quantitative analysis in analyzing and evaluating investment options and strategies.

Develops economic scenario for investment strategies and vehicles using quantitative and statistical analysis techniques. Provides comprehensive analyses and recommendations to Portfolio Manager.

Develops or modifies software needed to analyze empirical data and produce investment reports.

Develops and maintains extensive computer databases for investment data needed to conduct analyses in assigned asset class.

Analyzes and evaluates fundamental industry and company data in assigned asset class. Analysis includes, but is not limited to, examination of accounting, financial, and competitive factors.

Conducts financial research and credit evaluations on proposed investments in the equity, corporate debt and private placement areas.

Researches and analyzes the relative value of each sector of the fixed income market. Analysis includes, but is not limited to, yield curve, horizon comparison, rating of securities, interest rate trends and levels, and credit data. Compiles results and recommends present and future values of fixed income securities.

Analyzes real estate proposals to determine their relative value and merit for investment. Analysis includes, but is not limited to, evaluation of developer, on-site inspection of property, area demographics, comparable properties, economic conditions, leasing conditions, and financial projects.

Researches and analyzes the effect on the rate of return of proposed changes to real estate offers, lease negotiations, mortgage renegotiations, and property sales.

Makes market study of existing portfolios, analyzes and updates current characteristics of assigned portfolios.

Reviews and analyzes broker strategy reports and credit reports from rating agencies and brokers.

Executive investment transactions such as equities, fixed income, and real estate transactions in assigned portfolio. Reviews, analyzes, and underwrites new investment proposals as assigned.

Conducts special projects and performs related duties as assigned.

Performs other related duties as required.

**REQUIRED KNOWLEDGE, SKILLS, AND ABILITIES:** Knowledge of quantitative methods, investment modeling, econometric analysis, and statistical analysis techniques and principles.

Knowledge of computer hardware and software needed to conduct investment analysis.

Knowledge of investment principles and techniques.

Knowledge of economic theories.

Ability to design and conduct investment research studies and develop recommendations.

Ability to analyze, interpret, and present quantitative and statistical data used in making investment decisions.

Ability to organize and present the results of research and analysis orally and in writing.

Ability to develop and/or modify computer software applications to analyze investment data.

Ability to work effectively with associates, public officials, and the investment community.

**MINIMUM EXPERIENCE AND TRAINING:** Successful completion of one year as a Junior Investment Analyst.

OR

Bachelor's degree and 2 years of relevant work experience in investment management.

Job Code	Pay Scale Group	Pay Scale Type	Bargaining Unit	Service Type	Creation Date
R9406	12	IS	A3	NCS	10/10/2006

## INVESTMENT ANALYST 2

**DEFINITION:** This is a specialized investment management position charged with assisting in the management of a specific investment program at the State Employees' Retirement System.

An employee in this class performs comprehensive investment and econometric research and analysis of assigned investment asset classes and portfolios. This research includes developing and testing quantitative strategies; performing investment modeling and statistical analysis; and developing software applications to construct and interpret econometric models. The work also involves research and analyzing financial data, investment strategies and vehicles, operating reports, property inspections, appraisals, and disposition proposals; and making recommendations based on findings. Work may also include executing investment transactions in assigned portfolios.

The employee is expected to independently identify and initiate the financial and econometric analyses needed to support assigned investment asset classes. Work is reviewed by a supervisor for results, compliance with investment policies, and application of sound financial and economic analysis principles and techniques.

Work in this class varies from that of an Investment Analyst due to increased specialization, increase in workload and performance expectations, and additional knowledge attributable to experience.

**EXAMPLES OF WORK:** Performs investment modeling and quantitative analysis in analyzing and evaluating investment options and strategies.

Develops economic scenario for investment strategies and vehicles using quantitative and statistical analysis techniques. Provides comprehensive analyses and recommendations to Portfolio Manager.

Develops or modifies software needed to analyze empirical data and produce investment reports.

Develops and maintains extensive computer databases for investment data needed to conduct analyses in assigned asset class.

Analyzes and evaluates fundamental industry and company data in assigned asset class. Analysis includes, but is not limited to, examination of accounting, financial, and competitive factors.

Conducts financial research and credit evaluations on proposed investments in the equity, corporate debt and private placement areas.

Researches and analyzes the relative value of each sector of the fixed income market. Analysis includes, but is not limited to, yield curve, horizon comparison, rating of securities, interest rate trends and levels, and credit data. Compiles results and recommends present and future values of fixed income securities.

Analyzes real estate proposals to determine their relative value and merit for investment. Analysis includes, but is not limited to, evaluation of developer, on-site inspection of property, area demographics, comparable properties, economic conditions, leasing conditions, and financial projects.

Researches and analyzes the effect on the rate of return of proposed changes to real estate offers, lease negotiations, mortgage renegotiations, and property sales.

Makes market study of existing portfolios, analyzes and updates current characteristics of assigned portfolios.

Reviews and analyzes broker strategy reports and credit reports from rating agencies and brokers.

Executive investment transactions such as equities, fixed income, and real estate transactions in assigned portfolio. Reviews, analyzes, and underwrites new investment proposals as assigned.

Conducts special projects and performs related duties as assigned.

Trains lower level investment analysts on specific investment analysis techniques.

Performs other related duties as required.

**REQUIRED KNOWLEDGE, SKILLS, AND ABILITIES:** Knowledge of quantitative methods, investment modeling, econometric analysis, and statistical analysis techniques and principles.

Knowledge of computer hardware and software needed to conduct investment analysis.

Knowledge of investment principles and techniques.

Knowledge of economic theories.

Ability to design and conduct investment research studies and develop recommendations.

Ability to analyze, interpret, and present quantitative and statistical data used in making investment decisions.

Ability to organize and present the results of research and analysis orally and in writing.

Ability to develop and/or modify computer software applications to analyze investment data.

Ability to work effectively with associates, public officials, and the investment community.

**MINIMUM EXPERIENCE AND TRAINING:** Successful completion of one year as an Investment Analyst 1.

OR

Bachelor's degree and 3 years of relevant work experience in investment management.

Job Code	Pay Scale Group	Pay Scale Type	Bargaining Unit	Service Type	Creation Date
R9513	13	IS	A3	NCS	02/02/2000

## PORFOLIO MANAGER 1

**DEFINITION:** This is professional investment and financial work of a highly specialized, advanced and developmental nature involved in overseeing different portfolios managed by the State Employees' Retirement System (SERS).

An employee in this class is assigned discretionary authority for managing an assigned asset allocation class such as equities, fixed income, or real estate. This includes developing and implementing investment strategies; analyzing and interpreting economic and market data related to the asset class; directing the purchase and sale of investment transactions in assigned portfolio; recommending changes in asset allocation levels; and documenting all investment activity.

This employee supervises various employees, including possible assistant directors, interns, and trainees. Accomplishments are periodically reviewed by the CIO and/or a Managing Director through the assessment of completed reports, evaluation of professional judgement, and achieved results.

**EXAMPLES OF WORK:** Manages all aspects of assigned asset class(es) for the SERS investment program in accordance with agency policy.

Develops and recommends portfolio composition and mix for assigned asset class(es).

Formulates and implements investment strategies for assigned portfolio in accordance with the SERS' guidelines.

Develops evaluation criteria for individual investment acquisitions (securities, fixed income, real estate, etc.) consistent with the SERS' investment guidelines, style, and performance standards.

Reviews research and analytical reports and evaluates the relative value of individual investment options and directs the purchase or sale of transactions consistent with the SERS' overall strategy.

Reviews, analyzes, and underwrites new real estate investment proposals.

Coordinates investment research and makes recommendations on future investment alternatives and vehicles in assigned asset class(es).

Reviews, analyzes, and implements disposition and restructuring proposals for individual properties or portfolios.

Participates in the real estate negotiations on acquisitions and dispositions in assigned portfolio.

Reviews and analyzes asset management reports to ensure portfolio objectives are met and that proper procedures are adhered to.

Documents and is accountable for all assigned asset class activity and prepares comprehensive performance reports for the Chief Investment Officer and Board.

Maintains regular contact with brokerage house analysts, bankers, lending institutions, sellers, buyers, and other specialists in the assigned asset class(es).

Supervises Investment Analysts in research and analysis of assigned market sector. May also supervise and assign projects to an Investment Intern or Investment Analyst Trainee.

Make periodic presentations to Investment Committee, Chief Investment Officer, and Board on performance and portfolios.

Performs other related duties.

**REQUIRED KNOWLEDGE, SKILLS, AND ABILITIES:** Knowledge of accepted principles, practices and strategies in the field of pension investments.

Knowledge of principles, practices, statistical methods and automated systems used to conduct technical market and stock analysis.

Knowledge of portfolio construction techniques, financial/investment research and analysis, and performance monitoring.

Knowledge of economic theories.

Ability to communicate clearly and concisely, both orally and in writing.

Ability to work effectively with particular groups with diverse backgrounds including external managers, staff, consultants, etc.

Ability to comprehend and apply a variety of investment strategies and techniques to improve portfolio performance.

Ability to analyze investment strategies and market conditions and evaluate the effect on assigned asset class.

Ability to apply quantitative analysis techniques in portfolio construction and performance.

Ability to develop and present clear and accurate reports on investment activity in assigned asset class.

Ability to design, develop, and adapt investment concepts, vehicles, and systems to meet the needs of SERS' investment program.

Ability to establish a cooperative and effective working relationship with the SERS executive staff, the Board, financial community, and professional associates.

**MINIMUM EXPERIENCE AND TRAINING:** Bachelor's degree and 4 years of relevant work experience in investment management.

OR

2 years of relevant work experience in investment management and successful completion of advanced certification/education in a related field (e.g. CFA, CPA, MA, MBA, or Ph.D.).

OR

Equivalent combination of work experience and education (including demonstrated progress toward degree or certification).

Job Code	Pay Scale Group	Pay Scale Type	Bargaining Unit	Service Type	Creation Date
R9511	14	IS	A3	NCS	02/02/2000

## PORFOLIO MANAGER 2

**DEFINITION:** This is professional investment and financial work of a highly specialized, advanced and developmental nature involved in overseeing different portfolios managed by the State Employees' Retirement System (SERS).

An employee in this class is assigned discretionary authority for managing an assigned asset allocation class such as equities, fixed income, or real estate. This includes developing and implementing investment strategies; analyzing and interpreting economic and market data related to the asset class; directing the purchase and sale of investment transactions in assigned portfolio; recommending changes in asset allocation levels; and documenting all investment activity.

This employee supervises various employees, including possible assistant directors, interns, and trainees. Accomplishments are periodically reviewed by the CIO through the assessment of completed reports, evaluation of professional judgement, and achieved results.

Work in this class is distinguished from that of the Portfolio Manager class by the increased work load, performance skills, and knowledge gained from experience.

**EXAMPLES OF WORK:** Manages all aspects of assigned asset class(es) for the SERS investment program in accordance with agency policy.

Develops and recommends portfolio composition and mix for assigned asset class(es).

Formulates and implements investment strategies for assigned portfolio in accordance with the SERS' guidelines.

Develops evaluation criteria for individual investment acquisitions (securities, fixed income, real estate, etc.) consistent with the SERS' investment guidelines, style, and performance standards.

Reviews research and analytical reports and evaluates the relative value of individual investment options and directs the purchase or sale of transactions consistent with the SERS' overall strategy.

Reviews, analyzes, and underwrites new real estate investment proposals.

Coordinates investment research and makes recommendations on future investment alternatives and vehicles in assigned asset class(es).

Reviews, analyzes, and implements disposition and restructuring proposals for individual properties or portfolios.

Participates in the real estate negotiations on acquisitions and dispositions in assigned portfolio.

Reviews and analyzes asset management reports to ensure portfolio objectives are met and that proper procedures are adhered to.

Documents and is accountable for all assigned asset class activity and prepares comprehensive performance reports for the Chief Investment Officer and Board.

Maintains regular contact with brokerage house analysts, bankers, lending institutions, sellers, buyers, and other specialists in the assigned asset class(es).

Supervises Investment Analysts in research and analysis of assigned market sector. May also supervise and assign projects to an Investment Intern or Investment Analyst Trainee.

Make periodic presentations to Investment Committee, Chief Investment Officer, and Board on performance and portfolios.

Performs other related duties.

**REQUIRED KNOWLEDGE, SKILLS, AND ABILITIES:** Knowledge of accepted principles, practices and strategies in the field of pension investments.

Knowledge of principles, practices, statistical methods and automated systems used to conduct technical market and stock analysis.

Knowledge of portfolio construction techniques, financial/investment research and analysis, and performance monitoring.

Knowledge of economic theories.

Ability to communicate clearly and concisely, both orally and in writing.

Ability to work effectively with particular groups with diverse backgrounds including external managers, staff, consultants, etc.

Ability to comprehend and apply a variety of investment strategies and techniques to improve portfolio performance.

Ability to analyze investment strategies and market conditions and evaluate the effect on assigned asset class.

Ability to apply quantitative analysis techniques in portfolio construction and performance.

Ability to develop and present clear and accurate reports on investment activity in assigned asset class.

Ability to design, develop, and adapt investment concepts, vehicles, and systems to meet the needs of SERS' investment program.

Ability to establish a cooperative and effective working relationship with the SERS executive staff, the Board, financial community, and professional associates.

**MINIMUM EXPERIENCE AND TRAINING:** Bachelor's degree and 5 years of relevant work experience in investment management.

OR

3 years of relevant work experience in investment management and successful completion of advanced certification/education in a related field (e.g. CFA, CPA, MA, MBA, or Ph.D.).

OR

Equivalent combination of work experience and education (including demonstrated progress toward degree or certification).

Job Code	Pay Scale Group	Pay Scale Type	Bargaining Unit	Service Type	Creation Date
R9515	14	IS	A3	NCS	09/13/2011

## MANAGING DIRECTOR OF INVESTMENT OPERATIONS, SERS

**DEFINITION:** This is professional investment and financial work of a highly specialized, advanced and developmental nature involved in overseeing the areas of risk management, compliance monitoring, corporate governance, and due diligence managed for the State Employees' Retirement System (SERS).

An employee in this class is assigned discretionary authority for developing and operating a risk management program to monitor, measure, and manage the investment and operational risk in the SERS investment program. Work includes developing and implementing investment policies; ensuring that all investment portfolios comply with SERS Statement of Investment Policy; reporting investment performance of all asset classes and the total fund; tracking all funding activities; and developing investment reports for various outside entities including the PA legislature.

This employee supervises various employees, including possible assistant directors, interns, and trainees. Accomplishments are periodically reviewed by the CIO through the assessment of completed reports, evaluation of professional judgement, and achieved results.

**EXAMPLES OF WORK:** Manages all aspects of investment operations for the SERS investment program in accordance with agency policy.

Formulates and implements investment policies related to investment operations, risk management, and compliance monitoring in accordance with SERS' guidelines.

Participates in the annual asset/liability study and setting asset allocations for the annual investment plan.

Develops policies for all aspects of investment management and operations.

Manages all investment reporting to senior management and external parties and produces supporting materials for the SERS Board.

Develop and maintain management information systems used in SERS Investment Office.

Ensures all investment portfolios comply with SERS Statement of Investment Policy.

Supervises Investment Analysts in research and analysis of assigned investment operations responsibilities. May also supervise and assign projects to an Investment Intern or Investment Analyst Trainee.

Make periodic presentations to Chief Investment Officer and Board on investment operations.

Performs other related duties.

**REQUIRED KNOWLEDGE, SKILLS, AND ABILITIES:** Knowledge of investment and operational risk management concepts for pension funds.

Knowledge of accepted principles, practices and strategies in the field of pension investments.

Knowledge of principles, practices, statistical methods and automated systems used to conduct technical market and stock analysis.

Knowledge of portfolio construction techniques, financial/investment research and analysis, and performance monitoring.

Knowledge of economic theories.

Ability to communicate clearly and concisely, both orally and in writing.

Ability to work effectively with particular groups with diverse backgrounds including external managers, staff, consultants, etc.

Ability to comprehend and apply a variety of investment strategies and techniques.

Ability to analyze investment strategies and market conditions and evaluate the effect on assigned asset class.

Ability to understand quantitative analysis techniques in portfolio construction and performance.

Ability to develop and present clear and accurate reports on investment activity in investment operations.

Ability to establish a cooperative and effective working relationship with the SERS executive staff, the Board, financial community, and professional associates.

**MINIMUM EXPERIENCE AND TRAINING:** Bachelor's degree and 5 years of relevant work experience in investment operations management.

OR

3 years of relevant work experience in investment operations management and successful completion of advanced certification/education in a related field (e.g. CFA, CPA, MA, MBA, or Ph.D.).

OR

Equivalent combination of work experience and education (including demonstrated progress toward degree or certification).

Job Code	Pay Scale Group	Pay Scale Type	Bargaining Unit	Service Type	Creation Date
R9514	15	IS	A3	NCS	09/13/2011

## DEPUTY CHIEF INVESTMENT OFFICER, SERS

**DEFINITION:** This is managerial work in directing and executing investment asset allocation, risk management, and corporate governance activities for the State Employees' Retirement Systems' defined benefit pension fund.

The employee in this job assists the Chief Investment Officer with the highly responsible tasks of administering the SERS' investment program. The employee evaluates new regulations, legal developments, and industry trends and confers with external consultants to develop long-term investment strategies, policies, and guidelines. The employee prepares reports and presentations for the SERS Board; evaluates and recommends new investment vehicles; and manages cash flow. A significant responsibility of this job involves managing the agency's absolute return strategy, investment risk, and corporate governance standards. Work performed involves implementing cost reduction strategies; negotiating business terms; and conducting on-site investment manager reviews. Supervision is exercised over professional staff responsible for the portfolio management of assigned asset classes. Work is performed with considerable independence under the general direction of the Chief Investment Officer with work being reviewed for effectiveness and adherence to investment strategies and objectives.

**EXAMPLES OF WORK:** Derives the proposed long-term asset allocation target for the Annual Strategic Investment Plan.

Recommends asset allocations.

Coordinates the compilation of information for the Annual Strategic Investment Plan with responsibility for drafting major sections of the Plan, including graphical and tabular exhibits.

Directs consultants in the preparation of SERS Board reports and quarterly performance reports.

Uses quantitative techniques to develop and monitor risk across asset classes.

Manages cash flow to meet monthly pension payroll.

Generates early performance estimates for the total Fund.

Compiles information for PA General Assembly Appropriation Hearings.

Resolves investment-related issues identified through the agency's internal audit review process.

Conducts special projects at the request of the SERS Board, Executive Director, or Chief Investment Officer.

Performs the full range of supervisor responsibilities.

Participates in the performance of subordinates' work consistent with operational or organizational requirements.

Performs related work as required.

**REQUIRED KNOWLEDGE, SKILLS, AND ABILITIES:** Knowledge of investment principles and practices for the asset classes of equities, fixed income, cash, real estate, alternative investments, and inflation protection.

Knowledge of risk management quantitative analysis techniques.

Knowledge of corporate governance principles and practices.

Knowledge of due diligence principles and practices.

Knowledge of supervisory principles and practices.

Ability to interpret and apply investment principles and practices to asset allocation.

Ability to evaluate and develop investment strategies.

Ability to prepare investment reports.

Ability to communicate effectively orally.

Ability to communicate effectively in writing.

Ability to establish and maintain effective working relationships.

**MINIMUM EXPERIENCE AND TRAINING:** One year as a Portfolio Manager 2;

OR

Six years of investment management experience, one year of professional supervisory experience, and a Bachelor's degree in Business Administration, Finance, Economics or a related occupational area;

OR

An equivalent combination of experience and training which included one year of professional supervisory experience and a Bachelor's degree in Business Administration, Finance, Economics or a related occupational area.

Job Code	Pay Scale Group	Pay Scale Type	Bargaining Unit	Service Type	Creation Date
R9510	17	IS	A3	NCS	02/02/2000

## CHIEF INVESTMENT OFFICER, SERS

**DEFINITION:** This is responsible administrative work in policy development, consultation, and coordination of investments for the State Employees' Retirement System.

The employee in this class performs a variety of highly responsible tasks in the administration of the SERS investment program. Work involves liaison activities and continual contacts with the Retirement Fund's investment managers, advisors, and consultants; the State Treasurer's Office, the Legislature, broker/dealers, and other financial community representatives concerning SERS investments. Work involves supervision of a small professional and clerical staff. Work is performed with a high degree of independence, subject to administrative direction of the State Employees' Retirement Board.

**EXAMPLES OF WORK:** Acts as investment policy consultant to the Board by maintaining continual contact with the Fund's investment managers and advisors; by reading, analyzing, extracting and summarizing for the Board trends and issues of immediate and future concern from a variety of technical and analytical projects relating to the Fund's investment and cash management practices; and by structuring policy alternatives, recommendations and impacts for the Board with respect to the Fund's investment policy guidelines, asset allocation decisions, and cash management practices.

Develops long term investment policy and guidelines for investments of the State Employees' Retirement Fund.

Coordinates and monitors the activities of external investment advisors in the implementation of Board approved guidelines and investment strategies.

Maintains close contacts with the financial community to keep abreast of new opportunities to improve the structure and investment performance of the State Employees' Retirement Fund, including the monitoring of a variety of economic data and the financial press for use in developing recommended investment strategies.

Monitors and evaluates performance of investment managers and makes recommendations regarding the allocation of assets among managers and asset type.

Acts as investment transaction coordinator for the Board by reviewing investment transactions for compliance with applicable law, policy and regulations; and by resolving any investment settlement problems which arise through contact and negotiation with the State Treasurer's Office, investment managers, dealers and brokers, and the Fund's settlement agent.

Seeks, develops and administers systems to facilitate analysis and control of investment-related financial data regarding the fund.

Participates in the evaluation and selection of investment advisors and consultants for the Board and assists in the continuing evaluation of their performance.

Evaluates and recommends new investment vehicles and concepts which would benefit the Fund.

Acts as a liaison between the Board and investment advisors and consultants, the State Treasurer's Office, the Legislature, brokers/dealers and other representatives of the financial community in all matters concerning the investment of the State Employees' Retirement Fund.

As one of four partners in the Fund's nominee trading corporation is authorized to sign all documents authorizing investment transactions for securities registered in the nominee corporation name.

Reports to the Board monthly on all major developments in the Fund's investment portfolio.

Supervises and administers the proxy voting system for all common stock holdings of the Fund.

Supervises a professional and clerical staff.

Conducts special projects assigned by the Executive Director.

Performs related work as required.

**REQUIRED KNOWLEDGE, SKILLS, AND ABILITIES:** Knowledge of accepted principles, practices, and strategies in the field of institutional investments.

Knowledge of administrative principles and practices, and systems utilized in analysis and control of investment-related financial data.

Knowledge of the principles and practices of employee supervision.

Ability to learn and apply laws, policies, and regulations governing the SERS investment program.

Ability to think analytically and creatively in the development of new investment concepts, vehicles, and systems.

Ability to prepare clear and accurate reports on investment and related financial matters.

Ability to monitor and evaluate performance of investment managers and subordinate employees.

Ability to develop and maintain productive contacts with investment managers and advisors, representatives of the State Treasurer's Office, members of the Legislature, brokers/dealers, and other financial community representatives.

Ability to communicate clearly and concisely, orally and in writing.

**MINIMUM EXPERIENCE AND TRAINING:** Bachelor's degree and 8 years of experience in investment management.

OR

6 years of relevant work experience in investment management and successful completion of advanced certification/education program in a related field (e.g. CFA, CPA, MA, MBA or Ph.D.).

OR

Equivalent combination of work experience and education (including demonstrated progress toward degree or certification).

AND

3 years management/supervisory experience within the last 3 years.

Job Code	Pay Scale Group	Pay Scale Type	Bargaining Unit	Service Type	Creation Date
R9300	09	IS	A3	NCS	12/20/2010

## INVESTMENT ACCOUNTANT

**DEFINITION:** This is supervisory and professional investment accounting work within the State Employees' Retirement System (SERS).

The employee in this job is responsible for directing the analysis, classification, reconciliation, and reporting of complex investment transactions for holdings which are diversified across public and non-public markets and domestic and international investments. Work involves performing extensive and complex investment-related accounting activities; functioning as the liaison between the investment managers, financial institutions, State Treasurer's Office, external and internal auditors, and SERS' Investment Office; and supervising a professional accounting staff engaged in various aspects of investment accounting. A major responsibility involves establishing accounting standards, operating procedures, systems, and controls for new and evolving investment instruments. Work is performed with considerable independence and latitude within general guidelines and is subject to review for effectiveness and compliance with Generally Accepted Accounting Principles (GAAP), Governmental Accounting Standards Board (GASB), and SERS' investment strategies and guidelines.

**EXAMPLES OF WORK:** Supervises investment-related accounting activities for a diversified, multi-billion dollar investment portfolio.

Analyzes, classifies, reconciles, and reports investment transactions for various income and asset categories including, but not limited to, equities, fixed income, cash, real estate, alternative investments, and inflation protection.

Recommends and implements approved operating procedures and controls for investment accounting that are in compliance with GAAP, GASB, and SERS' investment strategies and guidelines.

Analyzes a variety of complex investment reports from the sub-custodial banks and external managers.

Analyzes and reconciles multiple sources of investment financial transactions and reports.

Prepares complex investment accounting financial reports.

Coordinates with sub-custodial banks, PA Department of Treasury, external managers, and consultants regarding quarterly performance reports and other information required to generate investment financial reports.

Supervises the establishment, termination, and payment of investment manager accounts.

Supervises the recording and reporting of investment manager fees and the maintenance of the fee subsidiary ledger for all investment manager accounts in both public and non-public markets.

Performs the full range of supervisory duties.

An employee in this job may participate in the performance of subordinates' work consistent with operational or organizational requirements.

Performs related work as required.

**REQUIRED KNOWLEDGE, SKILLS, AND ABILITIES:** Knowledge of investment accounting principles and practices for the asset classes of equities, fixed income, cash, real estate, alternative investments, and inflation protection.

Knowledge of investment strategies and guidelines in the classification, recording, and reconciliation of accounting journal entries and financial activity.

Knowledge of Generally Accepted Accounting Principles (GAAP) and standards.

Knowledge of computerized accounting system functionality.

Ability to interpret and apply GAAP principles and practices to investment accounting.

Ability to evaluate and develop new investment accounting controls and procedures.

Ability to analyze and interpret investment accounting transactions and reports.

Ability to prepare investment accounting financial reports.

Ability to reconcile multiple sources of investment financial transactions.

Ability to communicate effectively orally.

Ability to communicate effectively in writing.

Ability to establish and maintain effective working relationships.

**MINIMUM EXPERIENCE AND TRAINING:** Four years of professional accounting or auditing experience which includes one year of professional investment accounting or investment auditing experience, and a bachelor's degree supplemented by eighteen credits in accounting;

OR

An equivalent combination of experience and training which includes one year of professional investment accounting or investment auditing experience, and a bachelor's degree supplemented by eighteen credits in accounting.

Job Code	Pay Scale Group	Pay Scale Type	Bargaining Unit	Service Type	Creation Date
R9305	10	IS	A3	NCS	12/20/2010

## SENIOR INVESTMENT ACCOUNTANT

**DEFINITION:** This is supervisory and highly advanced professional investment accounting work within the State Employees' Retirement System (SERS).

An employee in this job is responsible for directing the highly complex analysis, classification, reconciliation, and reporting of sophisticated investment transactions for holdings which are diversified across public and non-public markets and domestic and international investments. Work involves administering the reporting and compliance monitoring of extensive and complex investment-related accounting transactions; the auditing of investment managers; and the development and implementation of policies, accounting standards, operating procedures, systems, rules, and controls for new and evolving investment instruments. An important aspect of this work involves providing technical guidance and assistance to senior management in the resolution of complicated investment accounting, investment compliance, or quality control problems. Supervision is exercised over technical or professional staff engaged in investment accounting or investment auditing activities. Work is performed with considerable independence and latitude within general guidelines and is subject to review for effectiveness and compliance with Generally Accepted Accounting Principles (GAAP), Governmental Accounting Standards Board (GASB), and SERS' investment strategies and guidelines.

**EXAMPLES OF WORK:** Directs investment-related accounting activities for a diversified, multi-billion dollar investment portfolio.

Directs the analysis, classification, reconciliation, and reporting of investment transactions for various income and asset categories including, but not limited to, equities, fixed income, cash, real estate, alternative investments, and inflation protection.

Oversees the development and implementation of approved operating procedures and controls for investment accounting that are in compliance with GAAP, GASB, and SERS' investment strategies and guidelines.

Performs operational risk assessments of SERS investment managers.

Monitors the accuracy of investment data retained in various systems.

Analyzes a variety of complex investment reports from the sub-custodial banks and external managers.

Directs the analysis and reconciliation of multiple sources of investment financial transactions and reports.

Participates in resolving complicated investment accounting-related problems and communicates to senior management the necessary measures to address the issues.

Prepares complex investment accounting financial reports.

Directs the establishment, termination, and payment of investment manager accounts.

Oversees the review, recording, and reporting of investment manager fees and the maintenance of the fee subsidiary ledger for all investment manager accounts in both public and non-public markets.

Performs analytical reviews of investment information to ensure accuracy, completeness, and consistency of information.

Analyzes new GASB pronouncements to determine impact on SERS financial reporting.

Analyzes and reports on portfolio-wide investment metrics.

Performs the full range of supervisory duties.

An employee in this job may participate in the performance of subordinates' work consistent with operational or organizational requirements.

Performs related work as required.

**REQUIRED KNOWLEDGE, SKILLS, AND ABILITIES:** Knowledge of investment accounting principles and practices for the asset classes of equities, fixed income, cash, real estate, alternative investments, and inflation protection.

Knowledge of investment strategies and guidelines in the classification, recording, and reconciliation and auditing of accounting journal entries and financial activity.

Knowledge of Generally Accepted Accounting Principles (GAAP) and standards.

Knowledge of computerized accounting system functionality.

Ability to interpret and apply GAAP principles and practices to investment accounting.

Ability to evaluate and develop new investment accounting controls and procedures.

Ability to analyze and interpret investment accounting transactions and reports.

Ability to prepare investment accounting financial reports.

Ability to reconcile multiple sources of investment financial transactions.

Ability to communicate effectively orally.

Ability to communicate effectively in writing.

Ability to establish and maintain effective working relationships.

**MINIMUM EXPERIENCE AND TRAINING:** One year as an Investment Accountant;

OR

Five years of professional accounting or auditing experience which includes two years of professional investment accounting or investment auditing experience, and a bachelor's degree supplemented by eighteen credits in accounting;

OR

An equivalent combination of experience and training which includes two years of professional investment accounting or investment auditing experience, and a bachelor's degree supplemented by eighteen credits in accounting.

Job Code	Pay Scale Group	Pay Scale Type	Bargaining Unit	Service Type	Creation Date
R9310	11	IS	A3	NCS	12/20/2010

## ASSISTANT CHIEF FINANCIAL OFFICER, SERS

**DEFINITION:** This is managerial and professional investment accounting and general accounting work planning and directing financial activities for the defined benefit and defined contribution programs of the State Employees' Retirement System (SERS).

The employee in this job is responsible for managing the analysis, classification, reconciliation, and reporting of highly complex investment accounting and general accounting transactions; administering a statewide Deferred Compensation Program; and overseeing the agency's administrative budget and operational functions. Work involves analyzing, developing, implementing, and maintaining all SERS Fund accounting processes; ensuring all accounts are posted and reconciled; managing investment accounting transactions and activities; directing the preparation of investment accounting reports for holdings diversified across public and non-public markets and domestic and international investments; and developing, implementing, and administering policies, accounting standards, operating procedures, systems, rules, and controls. A major responsibility is to provide senior management with policy and program recommendations through verbal and written reports. Supervision is exercised over professional staff engaged in investment and general accounting and in agency operational functions. Work is performed with considerable independence under the general direction of the Chief Financial Officer, SERS and is subject to review for effectiveness and compliance with Generally Accepted Accounting Principles (GAAP), Governmental Accounting Standards Board (GASB), and SERS' investment strategies and guidelines.

**EXAMPLES OF WORK:** Plans and directs investment accounting functions.

Ensures that all investment allocations to investment managers and brokers are authorized, and distributions of capital and income are properly collected and classified.

Reviews and approves all investment transactions for the Fund's investment portfolio for compliance with applicable law, regulation, and policy.

Analyzes a variety of complex investment reports from sub-custodial banks and external managers, and investment brokers.

Plans and directs general accounting, Deferred Compensation Program, administrative budget, and agency operation functions.

Develops investment policies and objectives for the Deferred Compensation Program.

Directs accounting, regulatory, and reconciliation procedures to assure compliance with applicable accounting principles and practices.

Designs and maintains the internal control structure necessary to safeguard the assets of the SERS Fund and the Benefit Completion Plan.

Participates in the analytical review and implementation of Commonwealth legislation, new GASB pronouncements, and Internal Revenue Service regulations.

Monitors and assists in coordinating the annual independent audit of the SERS Fund.

Oversees the preparation of the agency's administrative budget.

Oversees management and technical services including security, parking, safety, mail and messenger services, maintenance and inventory of all office supplies and equipment, surplus of state property, agency visitor reception, records retention, printing/copying, and state vehicles.

Performs the full range of supervisory duties.

The employee in this job may participate in the performance of subordinates' work consistent with operational or organizational requirements.

Performs related work as required.

**REQUIRED KNOWLEDGE, SKILLS, AND ABILITIES:** Knowledge of investment accounting principles and practices for the asset classes of equities, fixed income, cash, real estate, alternative investments, and inflation protection.

Knowledge of investment strategies and guidelines in the classification, recording, reconciliation and auditing of accounting journal entries and financial activity.

Knowledge of the principles and practices of budget administration.

Knowledge of Generally Accepted Accounting Principles (GAAP) and standards.

Knowledge of computerized accounting system functionality.

Knowledge of supervisory principles and practices.

Ability to interpret and apply GAAP principles and practices to accounting activities.

Ability to evaluate and develop new accounting controls and procedures.

Ability to analyze and interpret accounting transactions and reports.

Ability to analyze and interpret actuarial data.

Ability to prepare financial reports.

Ability to reconcile multiple sources of financial transactions.

Ability to communicate effectively orally.

Ability to communicate effectively in writing.

Ability to establish and maintain effective working relationships.

**MINIMUM EXPERIENCE AND TRAINING:** Five years of professional accounting or auditing experience which includes one year of professional investment accounting or investment auditing experience, one year of professional supervisory experience in accounting or auditing, and a bachelor's degree supplemented by eighteen credits in accounting;

OR

An equivalent combination of experience and training which includes one year of professional investment accounting or investment auditing experience, one year of professional supervisory experience in accounting or auditing, and a bachelor's degree supplemented by eighteen credits in accounting.

Job Code	Pay Scale Group	Pay Scale Type	Bargaining Unit	Service Type	Creation Date
R9315	12	IS	A3	NCS	12/20/2010

## CHIEF FINANCIAL OFFICER, SERS

**DEFINITION:** This is administrative and managerial investment accounting and general accounting work planning and directing financial activities for the defined benefit and defined contribution programs of the State Employees' Retirement System (SERS).

The employee in this job is responsible for overseeing highly complex investment accounting and general accounting activities, statewide Deferred Compensation Program administration, compliance and quality control tasks, and administrative budget and operational functions. Work includes establishing agency policies and processes for the efficient control of financial operations which includes investment transactional activity diversified across public and non-public markets and domestic and international investments. Work also involves establishing and maintaining investment and general ledger accounting systems to properly classify, record, and report all investment, financial, and budgetary transactions. A significant responsibility of this job involves analyzing proposed legislative changes impacting the defined benefit and defined contribution programs and providing consultative guidance to the members of the SERS Board and senior management staff. Supervision is exercised over professional, technical, and clerical staff engaged in investment accounting, general accounting, and agency operational functions. Work is performed with considerable independence under the general direction of the Executive Director with work being reviewed for effectiveness and adherence to program objectives. All work is conducted in compliance with Generally Accepted Accounting Principles (GAAP), Governmental Accounting Standards Board (GASB), and SERS' investment strategies and guidelines.

### **EXAMPLES OF WORK:** Plans and directs investment accounting.

Provides direction on the complex investment accounting operation, which monitors the SERS' investment portfolio.

Directs the investment compliance function to ensure that SERS is investing assets in compliance with investment guidelines for public market investments.

Plans and directs general accounting, deferred compensation program, compliance and quality control, administrative budget, and agency operation functions.

Evaluates new investment opportunities for the deferred compensation program and trends in the defined contribution industry.

Analyzes proposed legislation, new GASB pronouncements, and Internal Revenue Service regulations, and prepares reports on the agency's position and the potential impact on agency financial operations.

Oversees the compilation and reporting of all financial data.

Administers the design and implementation of efficient accounting systems and internal control systems.

Monitors expenditure activities of all agency appropriations.

Provides guidance for the collection of salary and service data from the pension fund's participating employers.

Oversees the development and execution of contracts for the SERS' actuarial consultant, independent audit firm, tax consultants, accounting consultants, and Deferred Compensation Program providers.

Oversees the preparation of the agency's administrative budget, and provides oral and written testimony to Appropriations Committees and the Governor's Office of the Budget.

Develops and presents reports to the SERS Board.

Performs the full range of supervisory duties.

The employee in this job may participate in the performance of subordinates' work consistent with operational or organizational requirements.

Performs related work as required.

**REQUIRED KNOWLEDGE, SKILLS, AND ABILITIES:** Knowledge of investment accounting principles and practices for the asset classes of equities, fixed income, cash, real estate, alternative investments, and inflation protection.

Knowledge of investment strategies and guidelines in the classification, recording, reconciliation and auditing of accounting journal entries and financial activity.

Knowledge of the principles and practices of budget administration.

Knowledge of Generally Accepted Accounting Principles (GAAP) and standards.

Knowledge of computerized accounting system functionality.

Knowledge of supervisory principles and practices.

Ability to interpret and apply GAAP principles and practices to accounting activities.

Ability to evaluate and develop new accounting controls and procedures.

Ability to analyze and interpret accounting transactions and reports.

- Ability to analyze and interpret actuarial data.
- Ability to prepare financial reports.
- Ability to reconcile multiple sources of financial transactions.
- Ability to communicate effectively orally.
- Ability to communicate effectively in writing.
- Ability to establish and maintain effective working relationships.

**MINIMUM EXPERIENCE AND TRAINING:** One year as the Assistant Chief Financial Officer, SERS;

OR

Six years of professional accounting or auditing experience which includes two years of professional investment accounting or investment auditing experience, two years of professional supervisory experience in accounting or auditing and a bachelor's degree supplemented by eighteen credits in accounting;

OR

An equivalent combination of experience and training which includes two years of professional investment accounting or investment auditing experience, two years of professional supervisory experience in accounting or auditing and a bachelor's degree supplemented by eighteen credits in accounting.

PaySchedule; SersBand; PayGroup; Classification; JobCode; OccupationalGroup; Url  
IS; 8; 17; Chief Investment Officer (SERS); R9510; 840; [http://www.jobclass.state.pa.us/payexp.asp?JOB\\_CD=R9510](http://www.jobclass.state.pa.us/payexp.asp?JOB_CD=R9510)  
IS; 7; 15; Deputy Chief Investment Officer SERS; R9514; 840; [http://www.jobclass.state.pa.us/payexp.asp?JOB\\_CD=R9514](http://www.jobclass.state.pa.us/payexp.asp?JOB_CD=R9514)  
IS; 7; 14; Managing Director of Investment Operations SERS; R9515; 840; [http://www.jobclass.state.pa.us/payexp.asp?JOB\\_CD=R9515](http://www.jobclass.state.pa.us/payexp.asp?JOB_CD=R9515)  
IS; 7; 14; Portfolio Manager 2, SERS; R9511; 840; [http://www.jobclass.state.pa.us/payexp.asp?JOB\\_CD=R9511](http://www.jobclass.state.pa.us/payexp.asp?JOB_CD=R9511)  
IS; 6; 13; Portfolio Manager 1, SERS; R9513; 840; [http://www.jobclass.state.pa.us/payexp.asp?JOB\\_CD=R9513](http://www.jobclass.state.pa.us/payexp.asp?JOB_CD=R9513)  
IS; 6; 12; Chief Financial Officer SERS; R9315; 120; [http://www.jobclass.state.pa.us/payexp.asp?JOB\\_CD=R9315](http://www.jobclass.state.pa.us/payexp.asp?JOB_CD=R9315)  
IS; 5; 12; Investment Analyst 2 (SERS); R9406; 740; [http://www.jobclass.state.pa.us/payexp.asp?JOB\\_CD=R9406](http://www.jobclass.state.pa.us/payexp.asp?JOB_CD=R9406)  
IS; 5; 11; Assistant Chief Financial Officer SERS; R9310; 120; [http://www.jobclass.state.pa.us/payexp.asp?JOB\\_CD=R9310](http://www.jobclass.state.pa.us/payexp.asp?JOB_CD=R9310)  
IS; 4; 11; Investment Analyst 1 (SERS); R9405; 740; [http://www.jobclass.state.pa.us/payexp.asp?JOB\\_CD=R9405](http://www.jobclass.state.pa.us/payexp.asp?JOB_CD=R9405)  
IS; 4; 10; Senior Investment Accountant; R9305; 800; [http://www.jobclass.state.pa.us/payexp.asp?JOB\\_CD=R9305](http://www.jobclass.state.pa.us/payexp.asp?JOB_CD=R9305)  
IS; 3; 10; Junior Investment Analyst (SERS); R9404; 740; [http://www.jobclass.state.pa.us/payexp.asp?JOB\\_CD=R9404](http://www.jobclass.state.pa.us/payexp.asp?JOB_CD=R9404)  
IS; 3; 09; Junior Investment Analyst Trainee (SERS); R9403; 740; [http://www.jobclass.state.pa.us/payexp.asp?JOB\\_CD=R9403](http://www.jobclass.state.pa.us/payexp.asp?JOB_CD=R9403)  
IS; 3; 09; Special Assistant Chief Investment Officer SERS; R9402; 740; [http://www.jobclass.state.pa.us/payexp.asp?JOB\\_CD=R9402](http://www.jobclass.state.pa.us/payexp.asp?JOB_CD=R9402)  
IS; 3; 09; Investment Accountant; R9300; 800; [http://www.jobclass.state.pa.us/payexp.asp?JOB\\_CD=R9300](http://www.jobclass.state.pa.us/payexp.asp?JOB_CD=R9300)